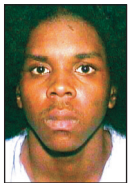


TUESDAY, Dec. 2, 2008

Locally owned, independent

31-hour police standoff ends



In-law jailed in Hudson deaths



Clinton, Gates join Cabinet

Daily Post

**Save money
on your health
care, tax-free.**

Call me to find out how.



Robert
Henderson

Henderson Strategic Financial
Insurance Services
(650) 321-2251

CA Insurance License #0F30712

Hill takes on budget mess

Submits legislation on first day

BY JOSH WOLF
Daily Post Staff Writer

State Assemblyman Jerry Hill was sworn in only yesterday, but he's quickly moving to tackle the state's budget woes, submitting legislation that could save the state \$300 million this year and planning to introduce a constitutional amendment today that could radically change how lawmakers pass the budget.

Today, Hill, D-San Ma-

teo, and Assembly Speaker Karen Bass, D-Los Angeles, will introduce a constitutional amendment that would allow a simple majority to pass the budget, rather than the currently required two-thirds of legislators.

Earlier this year, many services were left in limbo when the state languished without a budget for nearly three months, and yesterday Gov. Arnold Schwarzenegger declared a fis-

RELATED STORY Page 7

cal emergency due to the state's \$11.2 billion deficit.

But in order to make such a change, Hill's proposal would need to be approved by two-thirds of the state Assembly, two-thirds of the state Senate, and a majority of the voting public. Hill said that it may be challenging to garner the support necessary to pass the [See HILL, page 9]

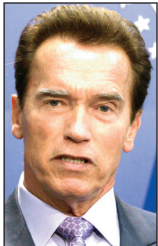


FIRST DAY — Jerry Hill takes his oath of office yesterday in Sacramento, with his wife, Sky, at his side. Courtesy Jerry Hill.

Fiscal emergency declared

Gov. Arnold Schwarzenegger declared a fiscal emergency yesterday and called lawmakers into a special session to address California's \$11.2 billion deficit.

The state's revenue gap is expected to hit \$28 billion over the next 19 months without bold action. The emergency declara-



ARNOLD

tion authorizes the governor and lawmakers to change the existing budget within 45 days.

The state is likely to run out of cash in February.

"Without immediate action, our state is headed for a fiscal disaster, and that is why ... I am wasting no time in calling a

fiscal emergency special session," Schwarzenegger said in prepared remarks.

The Republican governor and Democratic lawmakers have proposed a combination of tax increases and spending cuts, but Republican lawmakers steadfastly refuse to raise taxes.

No compromise could be [See FISCAL, page 9]

THE UPDATE

-679.95

The Dow Jones plunged to 8149.09 following news that the country is now officially in a recession. **SEE PAGE 6.**

HITTING BRAKES ON BIKES: Palo Alto City Council last night decided [See THE UPDATE, page 4]

BART lawsuit filed in wrong county

BY IAN S. PORT
Daily Post Staff Writer

A lawsuit seeking a recount of Santa Clara County's BART sales tax measure hit a surprise hiccup yesterday when a judge said the suit was filed in the wrong county.

The suit was refiled in San Francisco, where a judge will consider its request for a recount, along with a delay in cer-

Ballot recount effort moves to SF courts

tifying the vote on Measure B, today at 11 a.m. — the same day Santa Clara elections officials are supposed to declare the Nov. 4 elections results final.

Plaintiffs in the suit said they believe a ruling in their favor could still come

in time to stop the certification of the election results — but they admitted it would be close.

"As they say, it'll have to be enough time," said David Schonbrunn, whose nonprofit Transportation Solutions Defense and Education Fund is a plaintiff in the suit.

A spokesman for the county registrar [See BART, page 9]

A FULL SERVICE PROFESSIONAL
PROPERTY MANAGEMENT FIRM

**Making
Property
Management
Easy**

WILBUR PROPERTIES



For more information call
650.847.4347



Health
Insurance
CALL ME FOR
A QUOTE



Sandy White

630 Cowper Street
Palo Alto, CA 94301
(650) 328-1000

VIEW FROM
THE TERRACE

**Perfect presents
under \$35**

440 Kipling Street, Palo Alto, CA 94301
www.Viewfromtheterrace.com
Tel 650.323.1400

Kerns
Fine Jewelry

214 LORTON AVE,
BURLINGAME CA, 94010
(650) 348-7557

**Imaginative
Women's
Clothing &
Accessories**

PRESTIGE

855 El Camino, Palo Alto
37 Town & Country Village
(650) 324-3559

**SPOIL
YOUR PETS!**

Gourmet
Kitty & Doggy
treats & gifts



801 Greenwich
(415) 885-0550